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FISCAL IMPACT STATEMENT

LS 6944

BILL NUMBER: SB 538

NOTE PREPARED: Feb 6, 2015

BILL AMENDED: Feb 5, 2015

SUBJECT: Teacher Collective Bargaining.

FIRST AUTHOR: Sen. Yoder

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: (Amended) This bill has the following provisions:

Model Salary Schedule: The bill provides that the Indiana Education Employment Relations Board (IEERB) must publish a model salary schedule that a school corporation may adopt. (Current law requires the Department of Education (DOE) to publish a model salary schedule.) It removes a requirement that a school corporation submit its local salary schedule to the DOE for posting on the DOE's Internet web site.

Professional Employee Organization: The bill adds a definition of "professional employee organization". It requires a school corporation to establish and maintain procedures or policies that provide equal treatment of and equal access for professional employee organizations.

Affidavit: The bill provides that a school employer shall submit a copy of the affidavit submitted by the exclusive representative indicating the number of teachers who are members of the exclusive representative to the IEERB. It provides that if the IEERB determines that the affidavit indicates that the exclusive representative does not represent a majority of the employees, the IEERB shall investigate the affidavit.

It provides that after investigation by the IEERB, the IEERB may, if necessary, hold a hearing concerning representation by the school employee organization and, based on the results of the hearing, direct an election by secret ballot within the bargaining unit to determine representation. It provides that an election based on the investigation of an affidavit may be held only once in a five-year period.

Petition: The bill reduces from 20% to 10% the minimum number of school employees in a unit that may file a petition asserting that the designated exclusive representative is no longer the representative of the majority of school employees in the unit.

Factfinder: The bill provides that factfinding by a factfinder may not last longer than 30 days. It provides that the IEERB must rule on an appeal of a factfinder's decision within 60 days of receipt of the notice of appeal.

Collective Bargaining Agreement: It provides that the public hearing for a collective bargaining impasse proceeding may begin not earlier than October 1 in the first year of the state budget biennium and must be concluded by February 1 of the year following the commencement of bargaining.

Employee's Rights and Protections: The bill requires the IEERB to develop and maintain a form summarizing a school employee's rights and protections. It requires a school corporation, beginning in the 2016-2017 school year, to distribute the form to the school corporation's employees.

Effective Date: July 1, 2015.

Explanation of State Expenditures: (Revised) *Model Salary Schedule* - The provision requiring the IEERB to publish a model salary schedule and to review schedules for compliance with current law is within the IEERB's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels. Local salary schedules are included in the teacher contracts that are currently posted on the IEERB's web site.

On the other hand, the workload of the DOE in designing compensation models, posting salary schedules on its web site, and reviewing these schedules would decrease.

(Revised) *Affidavit* - Under current law, the exclusive representative has to certify by affidavit to the school employer the number of teachers who are members of the exclusive representative. Under this bill, the school employer has to forward a copy of the affidavit to the IEERB. The IEERB could incur additional administrative costs investigating whether the information in the affidavit is true; having to hold a hearing, if necessary, could add to the cost. If the IEERB decides that an election has to be held, the costs would increase. Under this provision, an election in the same bargaining unit could only be held once every five years. The number of additional elections that would be held because of this provision is unknown at this time.

(Revised) *Petition* - Reducing the minimum number of school employees in a unit that may file a petition asserting that the designated exclusive representative is no longer the representative of the majority of school employees in the unit from 20% to 10% could increase the number of petitions filed with the IEERB. The IEERB could incur additional administrative costs investigating whether the petition has merit; having to hold a hearing, if necessary, could add to the cost. The impact would depend on the number of petitions that are filed under this provision, and the number of elections that are held as a result of the investigation. Under this provision, an election in the same bargaining unit could only be held once every two years. The number of additional elections that could be held because of this provision is unknown at this time.

Factfinder - The provision doubling the amount of time for factfinding could give the IEERB more time to settle differences between the school corporation and the exclusive representative. Doubling the amount of time for the IEERB to rule on an appeal could give the IEERB more time to consider all appeals without allocating additional resources to the appeal process.

Employee's Rights and Protections - The provision for the IEERB to develop and maintain a form summarizing a school employee's rights and protections should be within the IEERB's existing resources.

The form would be posted on the IEERB's web site.

Explanation of State Revenues:

Explanation of Local Expenditures: *Model Salary Schedule* - School corporations would not have to forward their salary schedules to the DOE saving on the administrative cost of doing so. Currently, corporations submit their teacher contracts to both the IEERB and the DOE.

Professional Employee Organization - The provision requiring a school corporation to establish and maintain procedures or policies that provide equal treatment of and equal access for professional employee organizations should be accomplished within existing resources.

Affidavit - School corporations may have to adjust schedules to accommodate their workers taking part in an election directed by the IEERB under this bill. Since an election under this bill would be held at most once every five years, the overall impact would probably be minor.

(Revised) *Petition* - School corporations may have to adjust schedules to accommodate their workers taking part in an election directed by the IEERB under this bill. Since an election under this bill would be held at most once every two years, the overall impact would probably be minor.

Factfinder - Extending the time for factfinding may increase the cost. Under current law, the cost would be borne equally by both parties. Factfinders are paid \$1,200 per day; financial consultants are paid \$500 per day. The provision to double the amount of time the IEERB will take to hear an appeal should have minimal impact on school corporations.

Employee's Rights and Protections - The provision for a school corporation to distribute the form summarizing a school employee's rights and protections to its employees should be within its existing resources.

Explanation of Local Revenues:

State Agencies Affected: IEERB; Department of Education

Local Agencies Affected: School corporations

Information Sources: IEERB website: www.in.gov/ieerb; Patrick Mapes, Chairman, IEERB, 317-233-6617.

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